

THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

DDI #364-82

18 January 1982

MEMORANDUM FOR: Director of Central Intelligence

FROM :
National Intelligence Officer for Warning

SUBJECT : Examples of Warning Staff Memoranda

1. The paper dated 10 December and signed by was prepared by a CIA annuitant who is on contract to me. He provides me a basis for discussions of alternative analysis with the regional NIOs in the course of the month.

2. The other memorandum was prepared by one of the remaining four members of the Strategic Warning Staff.



Attachments
As stated

All Portions of This Memorandum
are Classified SECRET

SECRET

DERIVATIVE COPY 25X
☐ DECL ☒ CONF ON 18 Jan 1988
DERIVED FROM Multiple Sources

SUBJECT: Examples of Warning Staff Memoranda

DDI #364-82
18 January 1982

Distribution:

Orig - Addressee

- 1 - ER
- 1 - NIO/W (wo/atts.)
- 1 - NIO/W Chrono✓
- 1 - DDI Registry (wo/atts.)

Next 4 Page(s) In Document Exempt

10 December 1981

25X1

Three of the five items on this agenda--Libya, Israel and Cuba--center on the always elusive question of foreign actors' perceptions of US motives and intentions. In my experience, the community usually has encountered difficulties exploring this question, for good and obvious reasons. But foreign perceptions of US policy are often key factors in their decision-making. To neglect this crucial element in warning assessments is to risk being caught by surprise.

With respect to Brazil, I certainly am no authority on this unique political society. But it seems to me that President Figueriredo and his military colleagues are now facing the classic dilemma of such regimes, namely, how to disengage from direct political power and gradually transfer authority to the civilian party system without producing dangerous political and economic instability. The generals belatedly realized that their official party stands to lose the elections next November, and they are now seeking ways to rig the vote in order to perpetuate their power, although exercised in a more indirect fashion.

Brazil has changed enormously over the past decade, and a case can be made that the careful political transition planned by Figueiredo is simply beyond the capacity of even the most clever political generals to manage without dangerous disruptions. The de facto alliance between the workers' Labor Party and the Roman Catholic Church, together with the other three opposition parties, almost certainly will challenge Figueriredo's attempt to rig elections. Serious political and economic instability is likely to be the inevitable result--and this in a country in which American banks and firms have invested heavily.

The lesson of Iran counsels prudence in weighing the implications of the generals' attempt to salvage their power. Brazil could be the great surprise of 1982 if our analysts do not probe beneath the surface of seeming "normality" and business as usual.

25X1

WARNING AGENDA FOR DECEMBER 1981

Poland

Warning Problem: The regime's shift to a harder line in dealing with Solidarity since late November has significantly increased the chances of a dangerous confrontation. Solidarity is bound to interpret the Politburo's instruction to the government to seek legislation banning strikes, the police assault on the fire-fighters' academy, and publication of tape recordings of the Solidarity leadership's meeting as an attempt to discredit the union and place it on the defensive. These measures suggest that Politburo hardliners have strengthened their influence and that they are arguing that economic hardships have eroded public support for Solidarity, thus opening an opportunity to discredit and weaken the union leadership.

Jaruzelski's authority and position as party leader will be jeopardized if the Sejm refuses to adopt an emergency powers act or if party hardliners engineer further provocative actions that trigger strong reactions by Solidarity.

If events in the next few weeks show that the Politburo has badly miscalculated in launching an offensive against Solidarity, the Soviets might withdraw their support from Jaruzelski and attempt to have him replaced by Olszowski or another hardliner.

There is a growing potential that a chain of actions and counter-actions in Poland will produce a confrontation that neither Jaruzelski nor Walesa desires, but that neither will be able to prevent or control.

Libya

Warning Problem: Qaddafi may move to exploit the uproar in Washington over reports of a Libyan assassination plot to trigger a confrontation with the US as a device to increase his influence and standing in the Arab world.

Qaddafi may reason that the "plot" issue and the collapse of the Arab League summit in Fez have created a favorable opportunity for initiatives calculated to enhance both Libya's role among the "rejectionist" Arab states and his own authority at home. His principal objectives would be to sharpen polarization within the Arab world and to discredit Saudi, US and Egyptian policies on a Middle East settlement.

Qaddafi probably will withhold action until the US makes the first move toward applying political and economic sanctions. (Libyan media have charged that the US is now seeking to persuade West European governments to join in collective sanctions). If the US prohibits oil imports from Libya and exports of US equipment and services to Libya, and bans Americans from living and traveling in Libya, Qaddafi may

respond by charging that Washington is preparing military reprisals. He may then move to seize US oil companies' assets in Libya and to prevent the 1,500 remaining American citizens from leaving the country.

Israel-Lebanon

Warning Problem: The Begin government may believe that recent events have created a favorable climate for resuming its campaign--suspended last July--to drive Palestinian guerrillas from southern Lebanon and to force a showdown over the Syrian SAMs in the Bekaa Valley.

The Israelis probably judge that the next three months will be the most advantageous period for aggressive political and military initiatives because the Mubarak government will be unwilling to react in a way that might jeopardize Israel's final withdrawal from Sinai by April 25.

The Israelis, moreover, probably perceive that events since Saudi Arabia's humiliating setback at the Arab League summit have combined to present opportunities too promising to neglect: the US-Israeli Memorandum of Understanding on strategic cooperation; the US-Israeli joint statement on terms for West European participation in the Sinai peacekeeping force; Syria's denunciation of the strategic cooperation agreement, its insistence that the US thereby disqualified itself as a "legitimate" intermediary, and its claim that the SAMs "are not negotiable;" Foreign Minister Cheysson's characterization of the EEC's Venice declaration as "wrong and absurd."

Brazil

Warning Problem: President Figueiredo's proposal for restrictive election laws designed to ensure the government party's victory next November may trigger a chain reaction that will destabilize Brazilian politics and severely damage the economy. If this initiative results in a strong public backlash, the government may use incidents of violence and political terrorism as justification for postponing or cancelling the elections. Such a decision would be interpreted by opposition parties and the Church as the abandonment of abertura, signalling a reversion to the repressive policies of the early 1970s.

Cuba-Central America

Warning Problem: Castro may interpret the US stress on collective action at the OAS conference in St. Lucia as confirming his view that the Administration's implicit threats of unilateral military action were bluffs. He may now encourage the Salvadoran guerrillas to proceed with a coordinated offensive in the next month or so on the pretext that the junta and the U.S. have failed to respond to leftist offers to negotiate.

If Castro has in fact concluded that the Administration has been bluffing, he may be prepared to support a Salvadoran guerrilla offensive by provoking a contrived confrontation with the US over such issues as alleged US involvement in hostile Cuban exile activities, US reconnaissance overflights, and alleged augmentation of forces at Guantanamo.